

AMENDMENT NO. _____ Calendar No. _____

Purpose: To provide for biofuels.

IN THE SENATE OF THE UNITED STATES—110th Cong., 1st Sess.

S. 2191

To direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CRAIG

Viz:

1 At the end, add the following:

2 **TITLE XII—BIOFUELS**

3 **SEC. 12001. SHORT TITLE.**

4 This subtitle may be cited as the “Biofuels for En-
5 ergy Security and Transportation Act of 2007”.

6 **SEC. 12002. RELATIONSHIP TO OTHER LAW.**

7 Except to the extent expressly provided in this title
8 or an amendment made by this title, nothing in this title
9 or an amendment made by this title supersedes, limits the
10 authority provided or responsibility conferred by, or au-

1 thorizes any violation of any provision of law (including
2 a regulation), including any energy or environmental law
3 or regulation.

4 **Subtitle A—Biofuels for Energy** 5 **Security and Transportation**

6 **SEC. 12101. DEFINITIONS.**

7 In this subtitle:

8 (1) ADMINISTRATOR.—The term “Adminis-
9 trator” means the Administrator of the Environ-
10 mental Protection Agency.

11 (2) ADVANCED BIOFUEL.—

12 (A) IN GENERAL.—The term “advanced
13 biofuel” means fuel derived from renewable bio-
14 mass, other than ethanol from corn starch.

15 (B) INCLUSIONS.—The term “advanced
16 biofuel” includes—

17 (i) ethanol derived from cellulose,
18 hemicellulose, or lignin;

19 (ii) ethanol derived from sugar or
20 starch, other than ethanol derived from
21 corn starch;

22 (iii) ethanol derived from waste mate-
23 rial, including crop residue, other vegeta-
24 tive waste material, animal waste, and food
25 waste and yard waste;

1 (iv) diesel-equivalent fuel derived from
2 renewable biomass, including vegetable oil
3 and animal fat;

4 (v) biogas (including landfill gas and
5 sewage waste treatment gas) produced
6 through the conversion of organic matter
7 from renewable biomass;

8 (vi) butanol or other alcohols pro-
9 duced through the conversion of organic
10 matter from renewable biomass; and

11 (vii) other fuel derived from cellulosic
12 biomass.

13 (3) BASELINE LIFECYCLE GREENHOUSE GAS
14 EMISSIONS.—The term “baseline lifecycle green-
15 house gas emissions” means the average lifecycle
16 greenhouse gas emissions in 2005, as determined by
17 the President, for the type of fuel that is replaced
18 by renewable fuel.

19 (4) CELLULOSIC BIOFUEL.—The term “cel-
20 lulosic biofuel” means advanced biofuel derived ex-
21 clusively from cellulose, hemicellulose, or lignin that
22 is derived from renewable biomass.

23 (5) CONVENTIONAL BIOFUEL.—The term “con-
24 ventional biofuel” means ethanol derived from corn
25 starch.

1 (6) DIESEL-EQUIVALENT BIOFUEL.—The term
2 “diesel-equivalent biofuel” means advanced biofuel
3 used to replace or reduce the quantity of fossil fuel
4 present in a diesel fuel or diesel fuel mixture.

5 (7) LIFECYCLE GREENHOUSE GAS EMIS-
6 SIONS.—The term “lifecycle greenhouse gas emis-
7 sions” means the aggregate quantity of greenhouse
8 gas emissions (including significant emissions from
9 land use changes), as determined by the President,
10 related to the full fuel lifecycle, including all stages
11 of fuel and feedstock production and distribution,
12 from feedstock generation or extraction through the
13 distribution and delivery and use of the finished fuel
14 to the ultimate consumer, where the mass values for
15 all greenhouse gases are adjusted to account for
16 their relative global warming potential.

17 (8) RENEWABLE BIOMASS.—The term “renew-
18 able biomass” means—

19 (A) nonmerchantable materials or
20 precommercial thinnings that—

21 (i) are byproducts of preventive treat-
22 ments, such as trees, wood, brush,
23 thinnings, chips, and slash, that are re-
24 moved—

25 (I) to reduce hazardous fuels;

1 (II) to reduce or contain disease
2 or insect infestation; or

3 (III) to restore forest health;

4 (ii) would not otherwise be used for
5 higher-value products; and

6 (iii) are harvested from National For-
7 est System land or public land (as defined
8 in section 103 of the Federal Land Policy
9 and Management Act of 1976 (43 U.S.C.
10 1702))—

11 (I) where permitted by law; and

12 (II) in accordance with—

13 (aa) applicable land manage-
14 ment plans; and

15 (bb) the requirements for
16 old-growth maintenance, restora-
17 tion, and management direction
18 of paragraphs (2), (3), and (4) of
19 subsection (e) and the require-
20 ments for large-tree retention of
21 subsection (f) of section 102 of
22 the Healthy Forests Restoration
23 Act of 2003 (16 U.S.C. 6512); or

24 (B) any organic matter that is available on
25 a renewable or recurring basis from non-Fed-

1 eral land or from land belonging to an Indian
2 tribe, or an Indian individual, that is held in
3 trust by the United States or subject to a re-
4 striction against alienation imposed by the
5 United States, including—

6 (i) renewable plant material, includ-
7 ing—

8 (I) feed grains;

9 (II) other agricultural commod-
10 ities;

11 (III) other plants and trees; and

12 (IV) algae; and

13 (ii) waste material, including—

14 (I) crop residue;

15 (II) other vegetative waste mate-
16 rial (including wood waste and wood
17 residues);

18 (III) animal waste and byprod-
19 ucts (including fats, oils, greases, and
20 manure); and

21 (IV) food waste and yard waste.

22 (9) RENEWABLE FUEL.—

23 (A) IN GENERAL.—The term “renewable
24 fuel” means motor vehicle fuel or home heating
25 oil that is—

1 (i) produced from renewable biomass;

2 and

3 (ii) used to replace or reduce the
4 quantity of fossil fuel present in a fuel or
5 fuel mixture used to operate a motor vehi-
6 cle or furnace.

7 (B) INCLUSION.—The term “renewable
8 fuel” includes—

9 (i) conventional biofuel; and

10 (ii) advanced biofuel.

11 (10) SMALL REFINERY.—The term “small re-
12 finery” means a refinery for which the average ag-
13 gregate daily crude oil throughput for a calendar
14 year (as determined by dividing the aggregate
15 throughput for the calendar year by the number of
16 days in the calendar year) does not exceed 75,000
17 barrels.

18 **SEC. 12102. CLEAN FUEL STANDARD.**

19 (a) CLEAN FUEL PROGRAM.—

20 (1) REGULATIONS.—

21 (A) IN GENERAL.—Not later than 1 year
22 after the date of enactment of this Act, the
23 President shall promulgate regulations to en-
24 sure that motor vehicle fuel and home heating
25 oil sold or introduced into commerce in the

1 United States (except in noncontiguous States
2 or territories), on an annual average basis, con-
3 tains the applicable volume of renewable fuel
4 determined in accordance with paragraph (2).

5 (B) PROVISIONS OF REGULATIONS.—Re-
6 gardless of the date of promulgation, the regu-
7 lations promulgated under subparagraph (A)—

8 (i) shall contain compliance provisions
9 applicable to refineries, blenders, distribu-
10 tors, and importers, as appropriate, to en-
11 sure that—

12 (I) the requirements of this sub-
13 section are met; and

14 (II) renewable fuels produced
15 from facilities that commence con-
16 struction after the date of enactment
17 of this Act achieve at least a 50 per-
18 cent reduction in lifecycle greenhouse
19 gas emissions compared to the base-
20 line lifecycle greenhouse gas emis-
21 sions; but

22 (ii) shall not—

23 (I) restrict geographic areas in
24 the contiguous United States in which
25 renewable fuel may be used; or

1 (II) impose any per-gallon obliga-
 2 tion for the use of renewable fuel.

3 (C) RELATIONSHIP TO OTHER REGULA-
 4 TIONS.—Regulations promulgated under this
 5 paragraph shall, to the maximum extent prac-
 6 ticable, incorporate the program structure, com-
 7 pliance, and reporting requirements established
 8 under the final regulations promulgated to im-
 9 plement the clean fuel program established by
 10 the amendment made by section 1501(a)(2) of
 11 the Energy Policy Act of 2005 (Public Law
 12 109–58; 119 Stat. 1067).

13 (2) APPLICABLE VOLUME.—

14 (A) CALENDAR YEARS 2008 THROUGH
 15 2022.—

16 (i) RENEWABLE FUEL.—For the pur-
 17 pose of paragraph (1), subject to clause
 18 (ii), the applicable volume for any of cal-
 19 endar years 2008 through 2022 shall be
 20 determined in accordance with the fol-
 21 lowing table:

Calendar year:	Applicable volume of renewable fuel (in billions of gallons):
2008	9.0
2009	10.5
2010	12.0
2011	12.6
2012	13.2
2013	13.8

Calendar year:	Applicable volume of renewable fuel (in billions of gallons):
2014	14.4
2015	15.0
2016	18.0
2017	21.0
2018	24.0
2019	27.0
2020	30.0
2021	33.0
2022	36.0.

1 (ii) ADVANCED BIOFUELS.—For the
2 purpose of paragraph (1), of the volume of
3 renewable fuel required under clause (i),
4 the applicable volume for any of calendar
5 years 2016 through 2022 for advanced
6 biofuels shall be determined in accordance
7 with the following table:

Calendar year:	Applicable volume of advanced biofuels (in billions of gallons):
2016	3.0
2017	6.0
2018	9.0
2019	12.0
2020	15.0
2021	18.0
2022	21.0.

8 (iii) CELLULOSIC BIOFUEL AND DIE-
9 SEL EQUIVALENT BIOFUEL.—In addition
10 to the applicable volumes prescribed under
11 clause (i), for each of the calendar years
12 2008 through 2015, the President, by rule,
13 shall prescribe the minimum applicable vol-
14 umes of cellulosic biofuel and diesel-equa-
15 lent biofuel based upon the amount of cel-

1 lulosic biofuel and diesel-equivalent biofuel
 2 that the President determines can be pro-
 3 duced by domestic manufacturing facilities
 4 in compliance with subsection
 5 (a)(1)(B)(i)(II) at the wholesale prices per
 6 gallon, adjusted for energy content relative
 7 to ethanol, in the following table:

\$2.75	2008 through 2012
\$2.50	2013 through 2014
\$2.00	2015.

8 (B) CALENDAR YEAR 2023 AND THERE-
 9 AFTER.—Subject to subparagraph (C), for the
 10 purposes of paragraph (1), the applicable vol-
 11 ume for calendar year 2023 and each calendar
 12 year thereafter shall be determined by the
 13 President, in coordination with the Secretary of
 14 Energy, the Secretary of Agriculture, and the
 15 Administrator, based on a review of the imple-
 16 mentation of the program during calendar years
 17 2007 through 2022, including a review of—

- 18 (i) the impact of renewable fuels on
- 19 the energy security of the United States;
- 20 (ii) the expected annual rate of future
- 21 production of renewable fuels, including
- 22 advanced biofuels;

1 (iii) the impact of renewable fuels on
2 the infrastructure of the United States, in-
3 cluding deliverability of materials, goods,
4 and products other than renewable fuel,
5 and the sufficiency of infrastructure to de-
6 liver renewable fuel; and

7 (iv) the impact of the use of renewable
8 fuels on other factors, including job cre-
9 ation, the price and supply of agricultural
10 commodities, rural economic development,
11 and the environment.

12 (C) MINIMUM APPLICABLE VOLUME.—Sub-
13 ject to subparagraph (D), for the purpose of
14 paragraph (1), the applicable volume for cal-
15 endar year 2023 and each calendar year there-
16 after shall be equal to the product obtained by
17 multiplying—

18 (i) the number of gallons of gasoline
19 that the President estimates will be sold or
20 introduced into commerce in the calendar
21 year; and

22 (ii) the ratio that—

23 (I) 36,000,000,000 gallons of re-
24 newable fuel; bears to

1 (II) the number of gallons of gas-
2 oline sold or introduced into com-
3 merce in calendar year 2022.

4 (D) MINIMUM PERCENTAGE OF ADVANCED
5 BIOFUEL.—For the purpose of paragraph (1)
6 and subparagraph (C), at least 60 percent of
7 the minimum applicable volume for calendar
8 year 2023 and each calendar year thereafter
9 shall be advanced biofuel.

10 (b) APPLICABLE PERCENTAGES.—

11 (1) PROVISION OF ESTIMATE OF VOLUMES OF
12 GASOLINE SALES.—Not later than October 31 of
13 each of calendar years 2008 through 2021, the Ad-
14 ministrator of the Energy Information Administra-
15 tion shall provide to the President an estimate, with
16 respect to the following calendar year, of the vol-
17 umes of gasoline projected to be sold or introduced
18 into commerce in the United States.

19 (2) DETERMINATION OF APPLICABLE PERCENT-
20 AGES.—

21 (A) IN GENERAL.—Not later than Novem-
22 ber 30 of each of calendar years 2008 through
23 2022, based on the estimate provided under
24 paragraph (1), the President shall determine
25 and publish in the Federal Register, with re-

1 spect to the following calendar year, the renew-
2 able fuel obligation that ensures that the re-
3 quirements of subsection (a) are met.

4 (B) REQUIRED ELEMENTS.—The renew-
5 able fuel obligation determined for a calendar
6 year under subparagraph (A) shall—

7 (i) be applicable to refineries, blend-
8 ers, and importers, as appropriate;

9 (ii) be expressed in terms of a volume
10 percentage of gasoline sold or introduced
11 into commerce in the United States; and

12 (iii) subject to paragraph (3)(A), con-
13 sist of a single applicable percentage that
14 applies to all categories of persons speci-
15 fied in clause (i).

16 (3) ADJUSTMENTS.—In determining the appli-
17 cable percentage for a calendar year, the President
18 shall make adjustments—

19 (A) to prevent the imposition of redundant
20 obligations on any person specified in para-
21 graph (2)(B)(i); and

22 (B) to account for the use of renewable
23 fuel during the previous calendar year by small
24 refineries that are exempt under subsection (g).

25 (c) CREDIT PROGRAM.—

1 (1) IN GENERAL.—The President, in consulta-
2 tion with the Administrator and the Secretary of
3 Energy, shall implement a credit program to manage
4 the renewable fuel requirement of this section in a
5 manner consistent with the credit program estab-
6 lished by the amendment made by section
7 1501(a)(2) of the Energy Policy Act of 2005 (Public
8 Law 109–58; 119 Stat. 1067).

9 (2) MARKET TRANSPARENCY.—In carrying out
10 the credit program under this subsection, the Presi-
11 dent shall facilitate price transparency in markets
12 for the sale and trade of credits, with due regard for
13 the public interest, the integrity of those markets,
14 fair competition, and the protection of consumers
15 and agricultural producers.

16 (d) SEASONAL VARIATIONS IN RENEWABLE FUEL
17 USE.—

18 (1) STUDY.—For each of calendar years 2008
19 through 2022, the Administrator of the Energy In-
20 formation Administration shall conduct a study of
21 renewable fuel blending to determine whether there
22 are excessive seasonal variations in the use of renew-
23 able fuel.

24 (2) REGULATION OF EXCESSIVE SEASONAL
25 VARIATIONS.—If, for any calendar year, the Admin-

1 istrator of the Energy Information Administration,
2 based on the study under paragraph (1), makes the
3 determinations specified in paragraph (3), the Presi-
4 dent shall promulgate regulations to ensure that 25
5 percent or more of the quantity of renewable fuel
6 necessary to meet the requirements of subsection (a)
7 is used during each of the 2 periods specified in
8 paragraph (4) of each subsequent calendar year.

9 (3) DETERMINATIONS.—The determinations re-
10 ferred to in paragraph (2) are that—

11 (A) less than 25 percent of the quantity of
12 renewable fuel necessary to meet the require-
13 ments of subsection (a) has been used during 1
14 of the 2 periods specified in paragraph (4) of
15 the calendar year;

16 (B) a pattern of excessive seasonal vari-
17 ation described in subparagraph (A) will con-
18 tinue in subsequent calendar years; and

19 (C) promulgating regulations or other re-
20 quirements to impose a 25 percent or more sea-
21 sonal use of renewable fuels will not signifi-
22 cantly—

23 (i) increase the price of motor fuels to
24 the consumer; or

1 (ii) prevent or interfere with the at-
2 tainment of national ambient air quality
3 standards.

4 (4) PERIODS.—The 2 periods referred to in this
5 subsection are—

6 (A) April through September; and

7 (B) January through March and October
8 through December.

9 (e) WAIVERS.—

10 (1) AUTHORITY OF PRESIDENT.—

11 (A) IN GENERAL.—The President, in con-
12 sultation with the Secretary of Energy, the Sec-
13 retary of Agriculture, and the Administrator,
14 may temporarily waive the requirements of sub-
15 section (a) in whole or in part on petition by 1
16 or more States by taking the actions described
17 in subparagraph (B), based on a determination
18 by the President (after public notice and oppor-
19 tunity for comment), that—

20 (i) implementation of the require-
21 ments would severely harm the economy or
22 environment of a State, a region, or the
23 United States; or

24 (ii) there is an inadequate supply of
25 domestically-produced renewable fuel; or

1 (iii) extreme and unusual cir-
2 cumstances exist that prevent distribution
3 of an adequate supply of domestically-pro-
4 duced renewable fuel to consumers in the
5 United States.

6 (B) AUTHORIZED ACTIONS.—In waiving
7 the requirements of subsection (a) under sub-
8 paragraph (A), the President, in consultation
9 with the Secretary of Energy, the Secretary of
10 Agriculture, and the Administrator, shall—

11 (i) reduce the applicable volume of re-
12 newable fuel required under clauses (i),
13 (ii), and (iii) of subsection (a)(2)(A) to vol-
14 umes that are equal to the volumes of re-
15 newable fuels that are projected to be
16 available during the waiver period, as de-
17 termined by the President; and

18 (ii) when the applicable volumes of re-
19 newable fuel required under clause (ii) or
20 (iii) of subsection (a)(2)(A) are reduced,
21 make advanced biofuel credits available to
22 refiners, blenders, distributors, and import-
23 ers at a cost of the greater of \$1 per gal-
24 lon, or the difference between—

1 (I) \$3.50 per gallon, as indexed
2 for United States dollar inflation from
3 the date of enactment of this Act (as
4 measured by the Consumer Price
5 Index); and

6 (II) on the date on which the ad-
7 vanced biofuel credit is made avail-
8 able, the spot price per gallon of gaso-
9 line on, as determined by the Presi-
10 dent—

11 (aa) the New York Mer-
12 cantile Exchange; or

13 (bb) any other comparable
14 market.

15 (f) SMALL REFINERIES.—

16 (1) TEMPORARY EXEMPTION.—

17 (A) IN GENERAL.—The requirements of
18 subsection (a) shall not apply to—

19 (i) small refineries (other than a small
20 refinery described in clause (ii)) until cal-
21 endar year 2013; and

22 (ii) small refineries owned by a small
23 business refiner (as defined in section
24 45H(c) of the Internal Revenue Code of
25 1986) until calendar year 2015.

1 (B) EXTENSION OF EXEMPTION.—

2 (i) STUDY BY ADMINISTRATOR.—Not
3 later than December 31, 2008, the Admin-
4 istrator shall submit to the President and
5 Congress a report describing the results of
6 a study to determine whether compliance
7 with the requirements of subsection (a)
8 would impose a disproportionate economic
9 hardship on small refineries.

10 (ii) EXTENSION OF EXEMPTION.—In
11 the case of a small refinery that the Ad-
12 ministrator determines under clause (i)
13 would be subject to a disproportionate eco-
14 nomic hardship if required to comply with
15 subsection (a), the President shall extend
16 the exemption under subparagraph (A) for
17 the small refinery for a period of not less
18 than 2 additional years.

19 (2) PETITIONS BASED ON DISPROPORTIONATE
20 ECONOMIC HARDSHIP.—

21 (A) EXTENSION OF EXEMPTION.—A small
22 refinery may at any time petition the President
23 for an extension of the exemption under para-
24 graph (1) for the reason of disproportionate
25 economic hardship.

1 (B) EVALUATION OF PETITIONS.—In eval-
2 uating a petition under subparagraph (A), the
3 President, in consultation with the Adminis-
4 trator, shall consider the findings of the study
5 under paragraph (1)(B) and other economic
6 factors.

7 (C) DEADLINE FOR ACTION ON PETI-
8 TIONS.—The President shall act on any petition
9 submitted by a small refinery for a hardship ex-
10 emption not later than 90 days after the date
11 of receipt of the petition.

12 (3) OPT-IN FOR SMALL REFINERIES.—A small
13 refinery shall be subject to the requirements of sub-
14 section (a) if the small refinery notifies the Presi-
15 dent that the small refinery waives the exemption
16 under paragraph (1).

17 (g) ENFORCEMENT AND JUDICIAL REVIEW.—

18 (1) ADMINISTRATIVE REGULATION.—Renewable
19 fuels used as fuel or fuel additives in motor vehicles
20 pursuant to this section shall be subject to regula-
21 tion as fuel or fuel additives under section 211 of
22 the Clean Air Act (42 U.S.C. 7545).

23 (2) PENALTIES AND ENFORCEMENT.—A viola-
24 tion of this section or a regulation promulgated
25 under subsection (a) shall be treated as a violation

1 of section 211 of the Clean Air Act (42 U.S.C.
2 7545).

3 (3) JUDICIAL REVIEW.—A petition for the re-
4 view of any action of any official designated by the
5 President to carry out any function under this sec-
6 tion may be filed only in the United States Court of
7 Appeals for the District of Columbia Circuit, and
8 shall be treated as a petition for the review of an ac-
9 tion taken under section 211 of the Clean air Act
10 (42U.S.C. 7545).

11 (h) VOLUNTARY LABELING PROGRAM.—

12 (1) IN GENERAL.—The President shall establish
13 criteria for a system of voluntary labeling of renew-
14 able fuels based on life cycle greenhouse gas emis-
15 sions.

16 (2) CONSUMER EDUCATION.—The President
17 shall ensure that the labeling system under this sub-
18 section provides useful information to consumers
19 making fuel purchases.

20 (3) FLEXIBILITY.—In carrying out this sub-
21 section, the President may establish more than 1
22 label, as appropriate.

23 **SEC. 12103. PRODUCTION OF RENEWABLE FUEL USING RE-**
24 **NEWABLE ENERGY.**

25 (a) DEFINITIONS.—In this section:

1 (1) FACILITY.—The term “facility” means a fa-
2 cility used for the production of renewable fuel.

3 (2) RENEWABLE ENERGY.—

4 (A) IN GENERAL.—The term “renewable
5 energy” has the meaning given the term in sec-
6 tion 203(b) of the Energy Policy Act of 2005
7 (42 U.S.C. 15852(b)).

8 (B) INCLUSION.—The term “renewable en-
9 ergy” includes biogas produced through the
10 conversion of organic matter from renewable
11 biomass.

12 (b) ADDITIONAL CREDIT.—

13 (1) IN GENERAL.—For the years 2008-2015,
14 the President shall provide a credit under the pro-
15 gram established under section 111(d) to the owner
16 of a facility that uses renewable energy or enhanced
17 energy efficiency to displace more than 90 percent of
18 the fossil fuel normally used in the production of re-
19 newable fuel.

20 (2) CREDIT AMOUNT.—The President may pro-
21 vide the credit in a quantity that is not more than
22 the equivalent of 1.5 gallons of renewable fuel for
23 each gallon of renewable fuel produced in a facility
24 described in paragraph (1).

1 **SEC. 12104. STUDY OF CREDITS FOR USE OF RENEWABLE**
2 **ELECTRICITY IN ELECTRIC VEHICLES.**

3 (a) **DEFINITION OF ELECTRIC VEHICLE.**—In this
4 section, the term “electric vehicle” means an electric
5 motor vehicle (as defined in section 601 of the Energy Pol-
6 icy Act of 1992 (42 U.S.C. 13271)) for which the re-
7 chargeable storage battery—

8 (1) receives a charge directly from a source of
9 electric current that is external to the vehicle; and

10 (2) provides a minimum of 80 percent of the
11 motive power of the vehicle.

12 (b) **STUDY.**—The Administrator shall conduct a
13 study on the feasibility of issuing credits under the pro-
14 gram established under section 111(d) to electric vehicles
15 powered by electricity produced from renewable energy
16 sources.

17 (c) **REPORT.**—Not later than 18 months after the
18 date of enactment of this Act, the Administrator shall sub-
19 mit to the Committee on Energy and Natural Resources
20 of the Senate and the Committee on Energy and Com-
21 merce of the House of Representatives a report that de-
22 scribes the results of the study, including a description
23 of—

24 (1) existing programs and studies on the use of
25 renewable electricity as a means of powering electric
26 vehicles; and

1 (2) alternatives for—

2 (A) designing a pilot program to determine
3 the feasibility of using renewable electricity to
4 power electric vehicles as an adjunct to a re-
5 newable fuels mandate;

6 (B) allowing the use, under the pilot pro-
7 gram designed under subparagraph (A), of elec-
8 tricity generated from nuclear energy as an ad-
9 ditional source of supply;

10 (C) identifying the source of electricity
11 used to power electric vehicles; and

12 (D) equating specific quantities of elec-
13 tricity to quantities of renewable fuel under sec-
14 tion 111(d).

15 **Subtitle B—Environmental** 16 **Safeguards**

17 **SEC. 12201. GRANTS FOR PRODUCTION OF ADVANCED** 18 **BIOFUELS.**

19 (a) IN GENERAL.—The Administrator of the Envi-
20 ronmental Protection Agency (referred to in this section
21 as the “Administrator”) shall establish a grant program
22 to encourage the production of advanced biofuels.

23 (b) REQUIREMENTS AND PRIORITY.—In making
24 grants under this section, the Administrator—

1 (1) shall make awards to the proposals for ad-
2 vanced biofuels with the greatest reduction in
3 lifecycle greenhouse gas emissions compared to the
4 comparable motor vehicle fuel lifecycle emissions
5 during calendar year 2007; and

6 (2) shall not make an award to a project that
7 does not achieve at least a 50-percent reduction in
8 such lifecycle greenhouse gas emissions.

9 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
10 authorized to be appropriated to carry out this section
11 \$500,000,000 for the period of fiscal years 2008 through
12 2015.

13 **SEC. 12202. STUDIES OF EFFECTS OF RENEWABLE FUEL**
14 **USE.**

15 Section 211 of the Clean Air Act (42 U.S.C. 7545)
16 is amended by adding at the end the following:

17 “(t) STUDIES OF EFFECTS OF RENEWABLE FUEL
18 USE.—

19 “(1) IN GENERAL.—Not later than 1 year after
20 the date of enactment of this subsection, the Admin-
21 istrator shall offer to enter into appropriate arrange-
22 ments with the National Academy of Sciences and
23 any other independent research institute determined
24 to be appropriate by the Administrator, in consulta-
25 tion with appropriate Federal agencies, to conduct 2

1 studies on the effects of increased domestic use of
2 renewable fuels under the Biofuels for Energy Secu-
3 rity and Transportation Act of 2007.

4 “(2) MATTERS TO BE STUDIED.—

5 “(A) IN GENERAL.—The studies under this
6 subsection shall assess, quantify, and rec-
7 ommend analytical methodologies in relation to
8 environmental changes associated with the in-
9 creased domestic use of renewable fuels under
10 the Biofuels for Energy Security and Transpor-
11 tation Act of 2007, including production, han-
12 dling, transportation, and use of the fuels.

13 “(B) SPECIFIC MATTERS.—The studies
14 shall include an assessment and quantification,
15 to the maximum extent practicable, of signifi-
16 cant changes—

17 “(i) in air and water quality and the
18 quality of other natural resources;

19 “(ii) in land use patterns;

20 “(iii) in the rate of deforestation in
21 the United States and globally;

22 “(iv) to greenhouse gas emissions;

23 “(v) to significant geographic areas
24 and habitats with high biodiversity values
25 (including species richness, the presence of

1 species that are exclusively native to a
2 place, or the presence of endangered spe-
3 cies); or

4 “(vi) in the long-term capacity of the
5 United States to produce biomass feed-
6 stocks.

7 “(C) BASELINE COMPARISON.—In making
8 an assessment or quantifying effects of in-
9 creased use of renewable fuels, the studies shall
10 use an appropriate baseline involving increased
11 use of the conventional transportation fuels, if
12 displacement by use of renewable fuels had not
13 occurred.

14 “(3) REPORTS TO CONGRESS.—The Adminis-
15 trator shall submit to Congress a report summa-
16 rizing the assessments and findings of—

17 “(A) the first study, along with any rec-
18 ommendations by the Administrator to mitigate
19 adverse effects identified by the study, not later
20 than 3 years after the date of enactment of this
21 subsection; and

22 “(B) the second study, along with any rec-
23 ommendations by the Administrator to mitigate
24 adverse effects identified by the study, not later
25 December 31, 2015.”.

1 **SEC. 12203. INTEGRATED CONSIDERATION OF WATER**
2 **QUALITY IN DETERMINATIONS ON FUELS**
3 **AND FUEL ADDITIVES.**

4 Section 211(c)(1) of the Clean Air Act (42 U.S.C.
5 7545(c)(1)) is amended—

6 (1) by striking “nonroad vehicle (A) if in the
7 judgment of the Administrator” and inserting
8 “nonroad vehicle—

9 “(A) if, in the judgment of the Adminis-
10 trator, any fuel or fuel additive or”;

11 (2) in subparagraph (A), by striking “air pollu-
12 tion which” and inserting “air pollution or water
13 pollution (including any degradation in the quality of
14 groundwater) that”; and

15 (3) by striking “, or (B) if” and inserting the
16 following: “; or (B) if”.

17 **SEC. 12204. ANTI-BACKSLIDING.**

18 Section 211 of the Clean Air Act (42 U.S.C. 7545)
19 (as amended by section 12202) is amended by adding at
20 the end the following:

21 “(u) PREVENTION OF AIR QUALITY DETERIORA-
22 TION.—

23 “(1) STUDY.—

24 “(A) IN GENERAL.—Not later than 18
25 months after the date of enactment of the
26 Biofuels for Energy Security and Transpor-

1 tation Act of 2007, the Administrator shall
2 complete a study to determine whether the re-
3 newable fuel volumes required by that Act will
4 adversely impact air quality as a result of
5 changes in vehicle and engine emissions of air
6 pollutants regulated under this Act.

7 “(B) CONSIDERATIONS.—The study shall
8 include consideration of—

9 “(i) different blend levels, types of re-
10 newable fuels, and available vehicle tech-
11 nologies; and

12 “(ii) appropriate national, regional,
13 and local air quality control measures.

14 “(2) REGULATIONS.—Not later than 3 years
15 after the date of enactment of the Biofuels for En-
16 ergy Security and Transportation Act of 2007, the
17 Administrator shall—

18 “(A) promulgate regulations to implement
19 appropriate measures to mitigate, to the great-
20 est extent achievable, considering the results of
21 the study under paragraph (1), any adverse im-
22 pacts on air quality, as the result of the renew-
23 able volumes required by that Act; or

24 “(B) make a determination that no such
25 measures are necessary.

1 “(3) OTHER REQUIREMENTS.—Nothing in the
2 Biofuels for Energy Security and Transportation
3 Act of 2007 supersedes or otherwise affects any
4 Federal or State requirement under any other provi-
5 sion of law that is more stringent than any require-
6 ment of this title.”.